California Gambling Control Commission 2399 GATEWAY OAKS DRIVE, SUITE 100 P.O. BOX 526013, SACRAMENTO, CA 95852-6013 (916) 263-0700 FAX (916) 263-0499 www.cgcc.ca.gov

> 2399 Gateway Oaks Drive, Suite 100 Sacramento, CA 95833 Thursday, September 8, 2004

MINUTES OF SEPTEMBER 8, 2004 COMMISSION MEETING

OPEN SESSION

Chairman Shelton called the meeting of September 8, 2004, to order at 1:30 p.m., with Commissioners Palmer, Sasaki and Smith present.

Staff Participating: Gary Qualset, Deputy Director, Licensing and Compliance Division.

DECISION ITEMS

- 1. Applications for Work Permit:
 - a. Empire Sportsmen Association:

Keo, Sakada

b. Gold Rush Gaming Parlor:

Moody, Cecelia

Williams, Garrett

c. Lake Bowl Cardroom:

Heard, Walter

d. Napa Valley Casino:

Bailey, Sheree

To, Raymond

e. Sonoma Joes:

Chan, Kim

Jackson, Donald

McKague, Thomas

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a work permit for Keo Sakada, Item 1.a.; Cecelia Moody and Garrett Williams, Items 1.b.; Walter Heard, Item 1.c.; Sheree Bailey and Raymond To, Items 1.d.; and Kim Chan, Donald Jackson, and Thomas McKague, Items 1.e.. Upon motion of Commissioner Sasaki,

seconded by Commissioner Palmer and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes the Commission approved the applications for a work permit for Keo Sakada, Item 1.a; Cecelia Moody and Garrett Williams, Items 1.b.; Walter Heard, Item 1.c.; Sheree Bailey and Raymond To, Items 1.d.; and Kim Chan, Donald Jackson, and Thomas McKague Items 1.e.

2. Application for Key Employee License:

a. Hustler Casino: Dyer, David

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for a key employee license for David Dyer. Upon motion of Commissioner Smith, seconded by Commissioner Palmer and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved the application for a key employee license for David Dyer, Item 2.a.

3. Request for Additional Authorized Tables:

- a. Bicycle Casino: The Bell Gardens Bicycle Club Joint Venture
- b. Turlock Poker Room: Jose Fernandez Sole Proprietor

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the request from Bicycle Casino, to increase the establishment's gambling tables by 20, thereby increasing the total number of authorized tables from 135 to 155. Deputy Director Qualset further indicated that issuance of the new state gambling license authorizing 155 tables would be contingent upon receipt of fees for the additional tables. Upon motion of Chairman Shelton, seconded by Commissioner Sasaki and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes the Commission approved the request of Bicycle Casino, Item 3.a., to add 20 additional tables for a total of 155 authorized tables, contingent upon payment of the additional table fees.

Item 3.b., Turlock Poker Room, was continued at the request of staff.

4. Request for Approval of Articles of Incorporation:

c. Bicycle Casino:

Carter Management Group, Inc.

Deputy Director Qualset indicated that staff had found the Articles of Incorporation for Bicycle Casino, to be in compliance and recommended that the Commission

approve the Articles of Incorporation for filing with the Secretary of State. Upon motion of Commissioner Sasaki, seconded by Commissioner Smith and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved Item 4.a., Bicycle Casino's request for approval of Articles of Incorporation for filing with the Secretary of State.

5. Approval of Transfer of Interest:

a. Bicycle Casino:

Carter Management Group, Inc., General Partner

Deputy Director Qualset presented staffs recommendation that the Commission approve the transfer of 2.5 percent general partnership interest in LCP Associates, Ltd., from Robert Carter to the Carter Management Group, Inc., Item 5.a. Upon motion of Commissioner Smith, seconded by Commissioner Sasaki and unanimously adopted with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission adopted the staff recommendation.

6. Application for State Gambling License:

d. Bicycle Casino:

Carter Management Group, Inc. - General Partner

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for a state gambling license for Bicycle Casino, Item 6.d., with Carter Management Group, Inc., Robert Carter, General Partner, endorsed on the license. Upon motion of Commissioner Sasaki, seconded by Chairman Shelton and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes the Commission adopted the staff recommendation.

7. Applications for Renewal of State Gambling License:

- a. Aldo's Cardroom: Waldo Esquivel Sole Proprietor
- b. Cibola Club: Danny Figueroa Sole Proprietor

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for renewal of a state gambling license for Aldo's Cardroom. Upon motion of Commissioner Palmer, seconded by Commissioner Smith and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes the Commission approved the application for renewal of a state gambling license for Aldo's Cardroom, Item 7.a.

Deputy Director Qualset indicated that both the Division of Gambling Control and

Commission staff recommend approval of the application for renewal of a state gambling license for Cibola Club, Item 7.b. Upon motion of Chairman Shelton, seconded by Commissioner Sasaki and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes the Commission approved the application for renewal of a state gambling license for Cibola Club, Item 7.b.

8. <u>Indian Gaming Special Distribution Fund and Indian Gaming Revenue</u>
<u>Sharing Trust Fund Shortfall Distribution Report to Legislature per Government</u>
Code 12012.90.

Deputy Director Qualset presented to the Commission the Indian Gaming Special Distribution Fund and Indian Gaming Revenue Sharing Trust Fund Shortfall Distribution Report to Legislature per Government Code Section 12012.90, for consideration of the following recommendation:

It is recommended that the Commission approve this report to be submitted to the Legislature and the amounts of shortfall shown in Exhibit 1, determined pursuant to Government Code Section 12012.90, under the methodology prescribed therein.

Upon motion of Commissioner Smith, seconded by Commissioner Sasaki and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved the Shortfall Distribution Report to the Legislature, and the distribution of \$646,667.31 to the eligible Non-Compact Tribes. A copy of the report "Indian Gaming Special Distribution Fund and Indian Gaming Revenue Sharing Trust Fund Shortfall Distribution Report to Legislature per Government Code section 12012.90, is incorporated into these minutes as Attachment A.

9. <u>Staff Report on Canceled Gaming Device Licenses per Compact Section</u> 4.3.2.2(e).

Deputy Director Qualset presented an oral report to the Commission concerning gaming device licenses canceled pursuant to Compact section 4.3.2.2(e), indicating that 341 gaming device licenses were recently canceled pursuant to this provision. There was no action taken by the Commission on Item 9.

10. <u>Announcement of Draw for Issuance of Gaming Device Licenses per Compact Section 4.3.2.2(a)(3).</u>

Deputy Director Qualset announced that notices were being sent to tribes eligible to

participate in the license draw, advising of the upcoming gaming device license draw for the 341 licenses recently canceled by operation of Compact section 4.3.2.2(e) (see Item 9, above). Deputy Director Qualset further indicated that applications and deposits of gaming device license fees must be received at the Commission's office by 5:00 p.m. on September 27, 2004, for tribes wanting to participate in the draw. On October 18, 2004, the Commission will hold a Joint Tribal-State meeting to discuss preliminary results of the draw priorities, which will then be presented to the Commission for its consideration and approval on October 21, 2004; subsequently the gaming device licenses will be issued on October 22, 2004. There was no action taken by the Commission on Item 10.

CONSENT CALENDAR ITEMS:

- 1. <u>Application for Renewal of Work Permit</u>:
 - a. Empire Sportsmen Association:

Ran, Chann

b. Lake Bowl Cardroom:

Dreher, Jeremy

c. Outlaws Card Parlour:

Moore, Darell

d. Sonoma Joes:

Flores, Florena Graffin, Sally
Hughes, Janette McKeay, Michael
St. Amand, Ima Walters, Kenneth

Xenos, Stan Yee, Carol

- 2. Applications for Tribal-State Compact Key Employee Finding of Suitability:
 - a. Agua Caliente Band of Cahuilla Indians of the Agua Caliente

Reservation - Agua Caliente Casino:

Coles, Shaylon Phipps, Rebecca Faaumu, Eleanor Phipps, Wallace

Martinez, Salvador Rice, Lee
McGraw, Kimberly Troilo, Martha
Oliva, Santa Tucker, John

Perrault, Archie

b. Augustine Band of Cahuilla Mission Indians of the Augustine Reservation – Augustine Casino:

Hamilton, RoseAnn

c. Berry Creek Rancheria – Gold Country Casino: Edwards, Dustin Steele, Tyrone

d. Big Sandy Rancheria of Mono Indians – Mono Wind Casino:
Milor, Cheryl Thiesen, Douglas

Tucker, Geraldine

e. Cabazon Band of Cahuilla Mission Indians of the Cabazon Reservation

Fantasy Springs Casino:

Bailey, Terrence Kennedy, Gloria
Bineau, Normand Manuel, George
Boyd, Kimberly Melendy, Carmen

Charles, Tessa Ream, Billy Evans-Wilson, Gaynor Rexroth, David

George, Betty Thurmon, Constance Gunnell, Cletis Van der Velden, Axel

f. Campo Band of Diegueno Mission Indians of the Campo Indian

Reservation – Golden Acorn Casino:

Cruz, Juan

g. Chemehuevi Indian Tribe of the Chemehuevi Reservation – Havasu Landing Resort Casino:

Marshall, Robert

h. Cher-Ae Heights Indian Community of the Trinidad Rancheria – Cher-Ae Heights Casino:

Cain, Cammi Conrad, Ryan

Muhleck, Jeremy

i. Dry Creek Rancheria – River Rock Casino:

Carlile, Kenneth Jenkins, Stephen Carnahan, William King, Shirley

Hsi, Kenny Nouanephoumivah, Chanh

Hunter, Jeffrey

j. Hoopa Valley Tribe - Lucky Bear Casino:

Hostler, Norvin

k. Jackson Rancheria of Me-Wuk Indians of California – Jackson

Rancheria Casino Hotel and Conference Center:

Delap, James McHenry, Sean Iliescu, Alexandru Sarno, Catherine Mace, Eva Thlang, Hou

McCarthy, Colleen

I. Middletown Rancheria of Pomo Indians – Twin Pines Casino:

McDermott, James

m. Morongo Band of Cahuilla Mission Indians of the Morongo Reservation

– Casino Morongo:

Boeckholt, Kimberly Hudgens, Gary Nash, Vickie Schoen, Michael

n. Paiute-Shoshone Indians of the Bishop Community of the Bishop

Colony – Paiute Palace Casino:

Sharkey, Lawrence

o. Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation – Casino Pauma:

Kitchen, Vanessa

 Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation – Pechanga Resort & Casino:

Del Vacchio, Paul Saballa, Gabriel Madrigal, Michael Simons, Lynn Masiel, Robert Walden, Margaret

q. Picayune Rancheria of the Chukchansi Indians - Chukchansi Gold

Resort and Casino:

Balogun, Musa Collard, Russell Budman, George Ramirez, Ramon

r. Quechan Tribe of the Fort Yuma Indian Reservation - Paradise Casino California:

Aguerro, Ronald Pigeon, Paul Denard, Andrew Potts, Leslie

Duran, Christopher Westgate, Dee Dee

s. Redding Rancheria – Win River Casino:

Hawes, Charles Hines, Christi

t. Rincon Band of Luiseno Mission Indians of the Rincon Reservation –

Harrah's Rincon Casino:

Conklin, Salinda Swanby, Mary

Kewley, Raymond

 Robinson Rancheria of the Pomo Indians – Robinson Rancheria Bingo and Casino:

Callahan, Robert Mistretta, Christina

v. Rumsey Indians Rancheria of Wintun Indians – Cache Creek Casino Resort:

Acedira, Josephine Mac, Mary Barrios-Quinones, Gloria Neville, Rosalyn Ha, Thanh Nguyen, Colleen Jang, Jason Padaca, Mandy Passer, Alfred Jumuad, Penelope Klinkovsky, Matthew Saechao, Yien Lee, Eddie Smith, Rita Lee. Lilian Ti, Sim

Little, Jeffrey

Vongschanphen, Somboon

w. San Manuel Band of Mission Indians – San Manuel Casino:
Ortiz, Irene Starcher, Debra

x. San Pasqual Band of Diegueno Mission Indians – Valley View Casino:

Arviso, Melody Meuser, Angela Boston, Shantell McNeill, Celia

Haig, Donald

y. Smith River Rancheria – Lucky 7 Casino:

Peasley, Cynthia

z. Soboba Band of Luiseno Indians - Soboba Casino:

Davis, Marc Spangler, MaryAnn Felix, Claudia Wagner, David

Hale, Teri

aa. Sycuan Band of Diegueno Mission Indians – Sycuan Casino and

Resort:

Conchas, Enrique

Graham, Robert

Hannibal, Handy

Linn, Denton

Montano Angelina

Nguyen, Phouc
Raines, Christian
Rowland, Paul
Texler-hassin, Maria

Montano, Angelina Tuck, Richard Nguyen, Hien Webb, Thomas

bb. Twenty-Nine Palms Band of Mission Indians of California – Trump 29 Casino:

Johnson, Mary Tatro, Melinda Lambert, Lindy Wolfe, Raymond Rapan, Yesenia Woolf, Steven

cc. United Auburn Indian Community of the Auburn Rancheria – Thunder

Valley Casino:

Acorda, Edwin Mikawa, Ronald Buckley, Sabrina Nguyen, Huyhn Nguyen, Quy Bunch, Robert Cabutotan, Rusty Niguidula, Ria Pais Sr., Eduardo Carlos, Richard Carver, Matthew Paris, Richard Cazares. Derek Phan. Hoa Collins, Michael Phui, Jimmy Donoho, Janet Plante, Keith Gentry, Cindy Plarisan, Keith Hobson, Don Rahill, Mark

Hobson, Traci
Jones, Michael
Kapono, David
Labanieh, Robert
Le, Johnny
Levine, Joshua

Rhinehart, Patrick
Saechao, Mey
Saefong, Mouang
Saeteun, Ouko
Shea, Timothy
Shultz, Samantha

Lusk, Shadrick
Maddox, Christopher
Manfrellotti, Ferdinand
Martinez, Billie
Maxey, Kim
Warstler, Melissa
Spisla, Frank
Suarez, Lorie
Thompson, Willard
Valdemoro, Cedric
Velasquez, Serjio

dd. Viejas (Baron Long) Group of Capitan Grande Band of Mission Indians of the Viejas Reservation – Viejas Casino and Turf Club:

Anderson, Duane
Carbajal, Luis
East, Jonathan
Maloney, Thomas

Novak, Hsiu-Yen
Purser, Christina
Rodriguez, Gabriela

Deputy Director Qualset presented the Consent Calendar to the Commission for its consideration of the applications for (1) renewal of work permits, and (2) Tribal-State Compact key employee findings of suitability. Upon motion of Commissioner Sasaki, seconded by Chairman Shelton and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved the Consent Calendar.

PUBLIC COMMENT:

John Sheri Schireck, Outpost Casino applicant, commented on the state gambling license for Outpost Casino requesting the Commissions consideration of issuing a state gambling license to him as owner of Outpost Casino.

CLOSED SESSION:

Chairman Shelton announced that the Commission would not adjourn to Closed Session.

1. Commissioner Comments.

There were no comments from the Commissioners during this portion of the meeting.

ADJOURNMENT:

Upon motion to adjourn by Commissioner Palmer, seconded by Commissioner Smith and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission meeting adjourned at 2:00 p.m.